



Postal Regulatory Commission

Postal Regulatory Commission
901 New York Avenue, NW
Suite 200
Washington, DC 20268-0001
www.prc.gov

Phone: 202-789-6829
Fax: 202-789-6891

Contact: Gail Adams
gail.adams@prc.gov

Press Release

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Acting Chairman Taub Outlines Postal Service Challenges in PRC Testimony to Senate Committee

Washington, DC – In testimony presented before the U.S. Senate Committee on Homeland Security and Governmental Affairs on January 21, 2016, during a postal hearing titled “Laying Out the Reality of the United States Postal Service,” Acting Chairman Robert G. Taub outlined the Commission’s analysis of the various challenges that contribute to the Postal Service’s current financial condition. The Acting Chairman concluded his presentation by asking, “Where can we look for answers? I would argue that the starting point is to look at ourselves. What do we as a Nation need from a postal and delivery system and what is its cost? What exactly is universal mail service in the United States?”

Acting Chairman Taub pointed out a number of issues that have impeded the Postal Service’s efforts to stabilize its financial position. “The fundamental problem is that the Postal Service cannot currently generate sufficient funds to cover its mandated expenses and also invest in critically deferred capital needs,” he said. However, he also underscored that “there is still strength in the system,” and detailed the critical role that the 240-year-old Postal Service provides to the Nation.

Some of the key points of the Commission’s testimony included:

- Losses since 2007 have negatively impacted liquidity, and as a result impede the Postal Service’s ability to make critical capital investments in infrastructure
- The Postal Service’s inability to make required payments to the retiree health benefit fund has skewed its liabilities in relation to its assets
- The historic decline in total mail volume
- The increase in revenue from Competitive products is insufficient to offset the future revenue loss from removal of a temporary surcharge
- How the Postal Service is an essential part of the Nation’s infrastructure and a significant driver of the economy

- The need to better define what the universal service obligation is and its cost

For a copy of the Commission's full testimony, click on the following link: [Acting Chairman Taub Senate Testimony](#).

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The Postal Regulatory Commission is an independent federal agency that provides regulatory oversight over the U.S. Postal Service to ensure the transparency and accountability of the Postal Service and foster a vital and efficient universal mail system. The Commission is comprised of five Presidentially-appointed and Senate-confirmed Commissioners, each serving terms of six years. The Chairman is designated by the President. In addition to Acting Chairman Robert G. Taub, the other commissioners are Vice Chairman Nanci Langley and Commissioners Mark Acton and Tony Hammond. Follow the PRC on [Twitter](#): [@PostalRegulator](#)
